

## **Employee's Retention and Job Satisfaction: Mediating Role of Career Development Programs**

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### **Abstract**

*The aim of the research study was to analyze the significance of career development program on employees' retention and job satisfaction at telecom sector. A questionnaire consisting of close ended questions rated specifically on 5-point Likert's scale is adopted and conducted on 206 employees working in telecom sector. In the study of concern variables, the input obtained from the evaluation of the survey results was interpreted by using SPSS statistics software and process macro. The study revealed a significant relationship between career development program and employee's retention and job satisfaction. It was found that CDP as a mediating variable helped to explain the relationship among the different variables. The objectives of the study were to find out the relationship and mediating effect among career development program on employees' retention and job satisfaction. In the light of the findings, the outcomes of the study were discussed, analyzed and recommendations for concern department as well as for other sectors were presented.*

**Keywords:** Career Development Programs, Employee Retention, Job Satisfaction, Telecom Sector

### **Introduction**

Career development focuses the interest of individuals especially employees. In achievement of both individual and organizational goals this term sets as a main step. Career development is a lifelong process in which learning can be attained. Human resources play an important role in success of every sector. For uplifting an organization, human resource should be a top priority<sup>1</sup>. Organization must be aware of employee retention in respect to job satisfaction. For achieving organizational goal, a well-planned and organized effort of career development is required.<sup>2,3</sup> Career development program is regarded as key part of the human resource management in employment practices. Through career

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development, employees can enhance innovativeness, work execution and advancement.<sup>4</sup>

In performance and productivity perspective, career development program has become attractive for organizations.<sup>5</sup> Skilled and efficient employee resources improve hierarchical dedication among representatives, occupation fulfillment, less representative grievances and bring down employees turnover.<sup>6</sup>

The study reviews some career development theories and offers an understanding of how they affect employee retention, job satisfaction, and the other behaviors within organizations. The focus of the study is to assess the career development practices within the organization and to recommend the possible strategies for minimizing hindrances in implementation of career development programs.

#### *Research Questions*

The main research questions of this study are as under;

1. Is there any relationship between employee retention and career development program?
2. Is there any relationship between employee job satisfaction and career development program?
3. Is there any relationship between employee retention and job satisfaction?
4. Does career development program mediate the relationship between employee retention and job satisfaction?

#### *Objectives of the Study*

1. To find out relationship between employee retention and career development program;
2. To find out relationship between job satisfaction and career development program;
3. To find out relationship between employee retention and job satisfaction;
4. To find out mediating effect of career development program between employee retention and job satisfaction.

#### *Research Hypotheses*

The proposed hypotheses are given below;

H<sub>11</sub>: Career development program has significant relationship with employee retention in telecom sector.

H<sub>01</sub>: Career development program has insignificant relationship with employee retention in telecom sector.

$H_{12}$ : Career development program has significant relationship with job satisfaction in telecom sector.

$H_{02}$ : Career development program has insignificant relationship with job satisfaction in telecom sector.

$H_{13}$ : Employee Retention significantly effects job satisfaction in telecom sector.

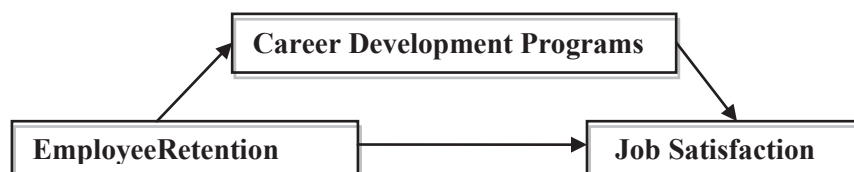
$H_{03}$ : Employee Retention does not effects job satisfaction in telecom sector.

$H_{14}$ : Career development program significantly mediates the relationship between job satisfaction and employee Retention in telecom sector.

$H_{04}$ : Career development program does not mediates the relationship between job satisfaction and employee Retention in telecom sector.

#### *Theoretical Framework*

In this study, while studying the role of career development program, mediation model is applied. The relationship between independent variable i.e. employee's retention and dependent variable i.e. job satisfaction is explained through mediating variable i.e. career development program.



*Figure No: 1.2 Theoretical Framework*

#### **Literature Review**

In policy making, career development is considered as an essential part of the organization. Different points of views are shared by several researchers while studying this area. In the development of career, a clear convergence between individual and organizational effort has been clearly shown. The people rights are protected by the employer in traditional view where the system is inherently career planning but it does not mean to give freedom of choice in career development.<sup>7,8</sup> Professional arrangement is more dynamic in modern perspectives while dealing with one's career.<sup>9,10</sup> Prior studies define the term career as a linkage of individual work experience and jobs performed at different sectors.<sup>11,12,13,14</sup> Organization must be aware of employees' retention and job satisfaction of employees in respect to their career development.

### *Career Development*

The term Career development can be defined as advancement of activities.<sup>15</sup> It is a continuous procedure for building up one's mission of career in relation to his achievement in life i.e. new skills development, higher occupation professional improvement etc. Career development program will be needed for fostering future skillful leaders having experience in implementing organizational strategies of organization. The concept regarding career development has evolved time to time by advancing varied theories in shaping up their careers.

### *Employee Retention*

When a faculty is motivated to stay with the organization for the longest possible period or until the fulfillment of the venture, such type of process under the human resource practices is known as employee retention. If employee feels disappointed with present employer, they simply shift to another group.<sup>16</sup> Employees' retention is the capability of an employer to maintain its workers.<sup>17</sup> Employee retention encourages employees for staying in the organization for longer time period. Career development programs existence is not possible without having a culture that supports employees and helps in getting organizational goals.<sup>18</sup>

### *Job Satisfaction*

Job satisfaction is feelings of accomplishment and triumph on the job. It is tied-up by two factors i.e. the productivity and individual wellbeing. Performing some work one enjoys and being compensated for one's undertakings recommends job satisfaction. Career development (professional advancement) programs leads to effectual alleviation of feelings in respect of job satisfaction.<sup>19, 20</sup> When an organization takes its employees on granted, then it should be understood that employees would also takes that organization for granted and will not trust the organization and not consider its organizational goals.<sup>21, 22</sup> On others hand, if the organization focuses employees who are working for them will lead to employees' satisfaction which ultimately benefits the overall structure of that organization and results in job satisfaction.<sup>23</sup>

### **Research Methodology**

The study was cross sectional and quantitative in nature. The answers were to be selected from 5 point Likert scale. All the questions in the questionnaire were adapted questions.

*Population and Sampling of the Study:*

The population of the study was the employees working in Telecom Private Sector in Peshawar. A sample size of about 206 responses at 95% confidence interval is studied from total of 440 known population to get the exact relationship among variables. Simple random sampling technique was used.

**Data Collection**

The sample frame is comprised on employees working in different sections in Telecom Private Sector i.e. Jazz, Ufone, Telenor and Zong operating in Peshawar. Cellular telecom sector was the area of interest under which four main companies were providing services.

*Source of Data:*

Primary source of data is used for the study.

*Variables:*

The variables of the study were Career Development Programs, Employee's Retention and Job Satisfaction. Independent variable was Employees' Retention, and dependent variable was Job Satisfaction and Career Development Programs was used as mediating variable.

The collected data was analyzed through SPSS software. Statistical tests were applied on the collected data through pre-administered questionnaires from the selected respondents.

**Data Analysis***Demographic Statistics*

Table No: 1a Descriptive Statistics

	N	Mean	Std. Deviation	Variance
Gender	206	1.29	0.455	0.207
Age	206	1.67	0.802	0.643
Organization	206	2.28	1.044	1.089
Designation	206	2.74	0.987	0.975
Experience	206	2.45	1.102	1.215
Income	206	2.11	1.065	1.134
Valid N (listwise)	206			

The table no.1 showed that the demographic data is explained via descriptive statistics which shows the total number of respondents. The mean, standard deviation and variance of the respondents is calculated

and result is based on demography i.e. gender, age, organization, designation, experience and income wise. The total number of respondents was 206. The table 4.1 shows the number of valid case i.e. 206 respondents. Gender wise mean of the respondents was 1.29, standard error of mean was 0.32, standard deviation was 0.455 and variance was 0.207. Age wise mean was 1.67, standard error of mean was 0.56, standard deviation was 0.802 and variance was 0.643. Organization wise mean was 2.28, standard error of mean was 0.73, standard deviation was 1.044 and variance was 1.089. Designation wise mean was 2.79, standard error of mean was 0.69, standard deviation was 0.987 and variance was 0.975. Experience wise mean was 2.45, standard error of mean was 0.77, standard deviation was 1.102 and variance was 1.215. Income wise mean was 2.11, standard error of mean was 0.74, standard deviation was 1.065 and variance was 1.134.

Table No. 1b Mean and Standard Deviations of Study Variables

	Mean	Std. Deviation	N
JS	13.4092	2.20737	206
CD	9.2990	1.61054	206
ER	30.7518	3.54298	206

The table no. 1b showed descriptive statistics i.e. mean value of job satisfaction was 13.40, career development mean value was 9.29 and employee retention mean value was 30.75 on 206 total number of respondents.

#### *Reliability*

Table No. 2 Reliability Statistics

Variable	Cronbach's Alpha	Items	Reliability
Job Satisfaction	.716	7	Reliable
Employee Retention	.763	20	Reliable
Career Development	.705	5	Reliable

The table no. 2 showed the reliability of the data. According to Cronbach's Alpha rule, if the value is greater than or equal to 0.7, the result should be considered reliable. As all the Variables outcome result is greater than 0.7 so the results were considered reliable. Cronbach's Alpha value for Job satisfaction was 0.716 which item scale i.e. number of questions from respondents in questionnaire were 7. Cronbach's Alpha value for Career Development was 0.705 which item scale i.e. number of questions from respondents in questionnaire were 5. Cronbach's Alpha value for Employee Retention was 0.763 which item

scale i.e. number of questions from respondents in questionnaire were 20.

#### Regression Analysis

Table No. 3 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.207 <sup>a</sup>	.043	.038	2.16482

a. Predictors: (Constant), ER

Table no. 3 showed the model summary. The R Square value gave some information about the goodness of fit of a model. The value of R for Employee Retention was 0.207 presenting 27% variation was due to dependent variable. The Model summary showed that R-Square value for Employee Retention was .043 presenting 43% variations in the model by the dependent variable which supports the research study.

Table No. 4 ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	42.828	1	42.828	9.139	.003 <sup>b</sup>
	Residual	956.033	204	4.686		
	Total	998.861	205			

The table no. 4 ANOVA showed that the result was highly significant because the P value 0.003 was less than 0.05, so here we will reject null hypothesis and accept alternate hypothesis. As F-Value is greater than 4 so the result was significant.

Table No. 5 Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	5.350	1.687		3.171	.002
EM	.199	.041	.318	4.795	.000

a. Dependent Variable: JS

The table no. 5 showed the Beta i.e. variation among the means which value for Employee retention was 0.199 and its P-value was 0.003 i.e. less than 0.05 showed it's highly significance.

*Correlation*

Table No. 6 Correlations

Variables		JS	CD	ER
JS	Pearson Correlation	1	.906**	.207**
	Sig. (2-tailed)		.000	.003
CD	Pearson Correlation	.906**	1	.819**
	Sig. (2-tailed)	.000		.000
ER	Pearson Correlation	.207**	.819**	1
	Sig. (2-tailed)	.003	.000	

\*\* . Correlation is significant at the 0.01 level (2-tailed). N = 206

Table no. 6 showed the correlation, the hypothesis 1 was related to the job satisfaction which value was positive and had a significant relationship with the career development having correlation of .906\*\*, sig. 0.000 which supports our hypothesis. The hypothesis 2 was related to employee retention which value was positive and had a significant relationship with the career development having correlation of .207\*\*, sig. 0.000 which supports our hypothesis.

*Mediation Analysis*

For testing hypothesis, mediation test was applied through process Macro. As we have a lot of independent variables, so process did not allow us to run all at one time, so we did it stepwise.

Table No. 7a Model Summary (Outcome: Career Development)

Model Summary						
R	R-sq	MSE	F	df1	df2	p
.91	.82	.47	938.03	1.00	204.00	.00

Table # 7b

Model	coeff	se	t	p
constant	-5.83	.75	-7.82	.00
ER	.38	.03	22.37	.00

Model: 4; Dependent Variable: Job Satisfaction; Independent Variable: Employee Retention; Mediating Variable: Career Development; Sample Size: 206



Table # 8a Model Summary (Outcome: Job Satisfaction)

	R	R-sq	MSE	F	df1	df2	p
Model	.56	.31	3.40	45.49	2.00	203.00	.00

Table # 8b

Model	coeff	se	t	p
constant	-3.37	.42	-8.09	.00
CD	-1.45	.20	-7.33	.00
ER	.41	.01	30.63	.00

*Direct and Indirect Effects*

Table # 9a Direct effect of X on Y

	Effect	SE	t	p
CD	.73	.09	8.07	.00

Table # 9b Indirect effect of X on Y

	Effect	Boot SE	BootLLCI	BootULCI
CD	-.60	.10	-.81	-.41

The table 7a-9b showed the outcome of our hypotheses. Employee Retention was our independent variable. The model summary showed R value, R-square value, F value and P-value. The R Square value gave some information about the goodness of fit of a model. The value of R was 0.91 presenting 91% variation was due to dependent variable. The Model summary showed that R-Square value 0.82 presenting variation showed that 82% variation in the model by the dependent variable which supports the research study. The P-value 0.00 i.e. less than 0.05 showed that the results are highly significant and it supports the hypothesis. It was observed that there is effect of dependent variable on independent variable and mediation has its own effect of the relationship. So here we will reject null hypothesis and accept the alternate hypothesis i.e. career development has significant relationship with employee commitment in telecom sector.

**Summary Conclusion and Recommendations**

Through an extensive review of current literature and examination of quantitative study, the role and importance of career development in telecom sector was displayed. All of the research objectives for this study were attained. The study revealed that there was a significant relationship between career development and other variables i.e. employee's retention and job satisfaction. It was found that the career development as a mediating variable helped to explain the relationship among the variables.

*Conclusion*

The study demonstrated a reasonable connection when employees are given importance by their employers and certain trainings are provided, they joyfully enjoy in their occupation. They are not just given the instrument to carry out their occupations well, yet they are additionally offered chances to grow new abilities and accomplish career objectives for a better career. Companies that invest in their employees, result in higher employee retention and job satisfaction.

*Recommendations*

The information in the study can be used in many different ways by a variety of organizations. The key point is that organizations must put the most extreme value on the HR and ought to build up a culture and practices that demonstrate that sort of working environment where employees feel happy to work. Some companies do not offer such opportunities for creative working hence resulting not in accordance with the achievement of goals. The danger of losing employees can be minimized by giving weightage to them and doing something practical for the uplift of their career.

## Notes and References

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